





Last week, IGC Turkey the geothermal congress in Turkey that ThinkGeoEnergy co-organized, in this context we had the chance to connect with Luca Xodo, the Head of Sales and Business Development at Italian ORC provider Exergy for an interview.

Turkey has seen an incredibly fast pace in development, what do you think are the key reasons for this?

One of the key reasons sits in the favourable regulatory framework and the government's actions aimed to encouraging electricity production using national resources and diminishing the dependence on imports. This policy is favoured through incentives and subsidies given to Turkish energy



companies for the development of power generation projects from renewable sources. The initial steps in geothermal exploration by Ministry of Energy and Natural Resources reduced the initial risk, attracting new investors from other businesses. Additionally, a favourable legal framework and the support to financing from Turkish banks and International banks have contributed to this fast growth.

When did Exergy enter the Turkish geothermal market?

EXERGY entered the Turkish market in 2011 with its first project for Celikler Holding, in consortium with other companies. Since then, our growth in the Turkish market has been very rapid and in 2014 we established a 100% wholly owned Turkish subsidiary company in Izmir in order to satisfy the needs of the local market, give our clients economic advantages thanks to "made in Turkey" manufacturing of turbine and other plant components. Our workshop in Izmir houses EXERGY's local service team allowing us to be more efficient and rapid in assisting our clients on plants. Nowadays, Exergy is the only company on the market able to provide the full set of made in Turkey components eligible for additional incentives in binary geothermal market, thanks to strategic partnerships.

How many plants have you so far supplied?

Exergy's portfolio in Turkey has reached 22 power plants, 19 already in operation for a total of around 300 MWe in operation.

How does your service assistance for all these plants in operation is organized? Do you have a monitoring on a daily basis of plants' operation?

Exergy has developed 3 different forms of after sales service. From the start-up of the ORC module Exergy can guarantee an unmatchable fast



24h x 7 days service, that includes, depending on the service level chosen by the client, remote assistance (online and phone), preventative monitoring and replacement of parts, back up of control data system, remote performance checks, plant visits by experienced exergy maintenance team when required and many other specific services. Until today we have provided monitoring services for more than 178.000 hours of plant operation. Moreover our workshop, located in Kemalpasa, is strategically positioned close to all our plants, allowing us to offer immediate on-site assistance as needed.

What specific plant provided the greatest success story for Exergy?

We have reached outstanding results from all our plants in operations. The data collected on the performance of our plants in 2017 are beyond our initial expectation having Exergy's a cutting-edge and brand new technology for the ORC market. The minimum availability from our plants in Turkey all exceed the 98.5% and most of them show an availability outreaching 99%. The first plant recording 99%+ availability on a full year basis was Karkey Umurlu I, which is also one of the longest running. Thinking about a success story on the long run, we have to mention a company such as Greeneco, which has renewed its trust in Exergy for many times, reaching in the next future more than 100 MWe developed together.

What have been key challenges for Exergy to get a foothold in Turkey?

It is not easy for a foreign company to approach the Turkish market, but we are sure that part of our success is due to the Mediterranean culture that unites Italian and Turkish people. Our choice of employing almost exclusively Turkish people in the Turkish subsidiary was an immediate



message to the market that we were not trying to colonize the country, but we were bringing investments and creating an industrial environment where our company and our suppliers developed know-how and specializations that were not existing before.

How important is the Turkish market for Exergy and what lessons have you learned?

Turkey is a key market for EXERGY, as there are a number of projects to be developed in the next years. The most important lesson learnt in this market is that a technology provider should never settle: continuous development of technical solutions, constant market presence and attention to the customers are key for the long-lasting success of a company like Exergy.

What are other key projects for Exergy in the coming months?

We have an important pipeline of projects in our portfolio, with both new and repetitive customers: some of these plants include further innovations in terms of design, configuration and resource conditions, thus we are excited to see what is next!

What are key trends and regions for the geothermal sector in the near future?

Geothermal areas are known, and nowadays there are active projects in Latin America, Asia Pacific, Europe and the African Rift Valley. Everybody is looking for the "new Turkey": we believe that in the near future there will be no booming area, but a general progress of these areas with a sustainable growth of geothermal energy worldwide.